

# 2010-2011 PERFORMANCE PLAN – Portfolio Manager, Alternative Investments (S. Jacobsen)

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All of the terms and provisions of the "CalPERS Compensation Policies and Procedures for Chief Executive Officer, Chief Actuary, General Counsel and Investment Management Positions" are incorporated in this Performance Plan by this reference as if set forth in full.

## Quantitative Performance Measures

Weight	Factor	Performance Measure	Incentive Schedule
10%	Total Fund Performance	Excess return deviation in basis points relative to: Total Fund Performance Benchmark. {SJ1CA1 – CPERST02}	-27 basis points = 0 +7 basis points = 1.0 +23 basis points = 1.5
60%	AIM Performance	AIM portfolio investment performance ranking in the State Street Private Equity Index for measured time period. Identifiers: Performance and benchmark compiled quarterly by Wilshire.	Top 50% = 0 (min) Top 35% = 1.0 (mid) Top 25% = 1.5 (max)
70%	Subtotal	Quantitative Measures	

## Qualitative Performance Measures

Weight	Factor	Performance Measure	Incentive Schedule
15%	Leadership	<ul style="list-style-type: none"> <li><b>Investment Office Leadership and Management</b> – By June 30, 2011, contribute to the value creation, capacity building, and organization support for the Investment Office by executing the following: <ul style="list-style-type: none"> <li>Drive global leadership and financial market reform to improve investment performance and enhance delivery of services.</li> <li>Build organizational excellence by strengthening and reinforcing a value driven culture that fosters accountability, transparency, and integrity by utilizing Senn Delaney training and communication concepts.</li> <li>Mentor and develop staff through regular coaching and feedback. Ensure 95% completion rate for annual performance appraisals and employee development plans.</li> </ul> </li> <li><b>Team Participation – Cross Asset Class Collaboration</b> – By June 30, 2011, participate in and support cross asset class initiatives, such as the Investment Office Roadmap, Investment Strategy Group, Risk Management, and Governance initiatives to improve investment performance and processes.</li> <li><b>Individual Contributions – Asset Class Priorities</b> – By June 30, 2011, implement asset class priorities which contribute to the success of your program by adopting innovative approaches and overcoming obstacles to improve investment performance and processes.</li> </ul>	From schedule

### Incentive Schedule

Total Fund: FY 2011-12: -13/13/27; FY 2012-13: target 0/20/30

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## Qualitative Performance Measures (cont.)

Weight	Factor	Performance Measure	Incentive Schedule
15%	AIM Roadmap Priorities	Assist Senior Portfolio Manager in implementation of new co-investment strategy	From schedule
30%	Subtotal	Qualitative Measures	
100%	Total	Quantitative and Qualitative Measures	

### Incentive Schedule

Total Fund: FY 2011-12: -13/13/27; FY 2012-13: target 0/20/30